



**Saskatchewan
Agriculture
and Food**

Final Report

**Agriculture Research Branch
Saskatchewan Agriculture and Food**

Horse Industry Study

19990405

Dr. Peter Fretz

205

Horse Industry Study

Saskatchewan Agriculture and Food Report on Saskatchewan Horse Industry

Contents

Introduction	1
Materials and Methods	1
Veterinary Questionnaire	2 - 6
Results	6 - 15
Subjective Analysis	7 - 15
Population	8 - 12
Economic Impact	12 - 14
Needs Assessment	14 - 15
Summary	16 - 17
Recommendations	18 - 19
Acknowledgments	20
References	20

Horse Industry Study

Saskatchewan Agriculture and Food Report on Saskatchewan Horse Industry

P. B. Fretz

Introduction

During the summer of 2000 Dr. Marshall Patterson contacted me on behalf of Saskatchewan Agriculture and Food to see if I would consider gathering information regarding the size and economics of the Saskatchewan equine industry from a veterinary perspective.

The stated objective of the study was to develop a profile of the Saskatchewan horse industry from a veterinary perspective.

Materials and Methods

In order to develop a vehicle for gathering the required information Dr. Marshall Patterson convened a meeting in Regina with the following individuals: Jodi Banks, David Boehm, Doug Faller, Jason Hood, and Ken Schmidt with telephone conferencing to Jim Graham in Yorkton and Jim Pollock in Swift Current.

With the study objective in mind, the "Veterinary Questionnaire" (included below) was developed as the vehicle for gathering the required information.

Veterinary Questionnaire

A. Population

A1. How many horse owners are currently clients of your practice? _

A1a. What percent of the clients that you see are female? _____
male? _____

A1b. What percent of the clients that you see earn their
primary source of income from:

exclusively horse _____

primary agriculture _____

other _____

A2. How many horses do you see in your practice? _____

A2a. What types of services do you provide?

Emergency _____

Lameness diagnosis _____

Elective surgery _____

Herd health _____

Reproductive health _____

Other _____

A3. Registered

A3a. Percent registered _____

A3b. Percent not registered _____

A4. Breed

Andalusian _____

Appaloosas _____

Arabians _____

Belgian _____

Canadiens _____

Clydesdales _____

Draft Cross _____

Foxtrotter _____

Miniature _____

Percheron _____

Peruvian _____

POA _____

Ponies _____

Quarterhorse _____

Saddlebred _____

Shire _____

Standardbred _____

Suffolk _____

Morgan _____

Thoroughbred _____

Norwegian Fjord _____

Warmblood _____

Paint _____

Other _____

A5. Purpose

Pleasure _____

Working _____

Jumping _____

Reining _____

Barrel Racing _____

Cutting _____

Dressage _____

Roping _____

Rodeo _____

Pole Bending _____

Racing _____

Cross Country _____

Heavy _____

Endurance _____

PMU _____

Hunter _____

Other _____

Therapeutic Riding _____

B. Economic Impact

B1. What percentage of the income of your practice stems from the horse sector?

B2. What percentage of the horse related income is from service provided? goods purchased?

B3. How many full time positions in your practice are related to servicing horse clients?

B4. Are horse services growing or declining over the past 5/10 years?

C. Needs Assessment (Role of SAF)

C1. What services do you see Saskatchewan Agriculture and Food providing to the Saskatchewan horse industry:

_____ Nutrition expertise

_____ Genetics

_____ Disease prevention

_____ Horse care/management practices

_____ Industry Opportunities

_____ Horse Improvement Program

_____ Reproduction

_____ Safety

_____ Marketing

_____ Education

_____ Other: _____

The Saskatchewan Veterinary Medical Association 2000 Membership Directory published in the spring of 2000 was used as a reference to identify licensed veterinarians in Saskatchewan. The directory contains two separate sections: Alphabetical Listing of Veterinarians licensed in the Province of Saskatchewan and a list of Veterinary Hospitals and Clinics with each veterinary owner, assistant or associated listed under the appropriate Hospital or Clinic. The list of Veterinary Hospitals and Clinics identifies the scope of Professional and Practice Activity for each practice (Academic, Ambulatory, Avian, Canine, Dairy Cattle, Embryo Transfer, Exotics, Equine, Federal Government, Feline, Food Animal, Provincial Government, Industry, Large Animal, Mixed Practice, Pathology, Poultry, Research, Small Animal House Call, Small Animal, Swine, Theriogenology, and Wildlife).

Every practice listing one or more of the following criteria was identified and approached; Ambulatory, Embryo Transfer, Equine, Food Animal, Large Animal, Mixed Practice and Theriogenology.

Results from Information Gathering

A total of 75 practices were identified as possibly generating income from the Saskatchewan horse industry. After an initial telephone contact and telephone interview identifying the objective of this study

with the veterinarian, 12 practices were eliminated. There were several reasons for removing a practice from any further correspondence. For example, if a practice coded itself (in the SVMA 2000 Membership Directory) as an Ambulatory, Embryo Transfer, Food Animal, Large Animal, Mixed Practice or Theriogenology it was initially contacted, but if after the first contact the practice acknowledged that they limited their activity (excluding horse work) and did not derive any income from the Saskatchewan horse industry the practice was eliminated from the study. Practices were also eliminated if their practice philosophy was to actively discourage horse clientele and as a result of this philosophy their stated gross receipts from horse related business was insignificant.

No practice had to be eliminated because of uncooperative veterinarians. Most of the practices were eliminated because the owner of the practice simply stated that he or she really had no interest in veterinary horse work and they "only sold the odd vaccines to good cattle clients who owned a horse or two". These veterinarians tended to refer equine clients to neighboring practices.

Using these criteria the study was left with 63 practices. Each of the remaining practices received another phone call and a time was established for either an on site interview or for a scheduled telephone interview. Several days prior to either of these formats a copy of the "Veterinary Questionnaire" was faxed to the practice so that the veterinarian could familiarize herself or himself with the information that we were interested in obtaining.

Thirty-four (34) out of 63 veterinary clinics / hospitals (54 %) responded in writing after the initial contact (either a telephone interview or a person interview). While another 13 responded some weeks later following a third telephone interview. The total response (47 out of 63) was 75 %.

Subjective Analysis

A subjective analysis of the collective response to each question of the "Veterinary Questionnaire" follows.

A. Population

A1. How many horse owners are currently clients of your practice? ____

A1a. What percent of the clients that you see are female? ____
male? ____

A1b. What percent of the clients that you see earn their
primary source of income from:

exclusively horse _____

primary agriculture _____

other _____

A2. How many horses do you see in your practice? _____

A2a. What types of services do you provide?

Emergency _____

Lameness diagnosis _____

Elective surgery _____

Herd health _____

Reproductive health _____

Other _____

A 3. Registered

A3a. Percent registered _____

A3b. Percent not registered _____

The following is a subjective summary of questions relating to **Population** - A1, A1a, A1b, A2, A2a, A3a and A3b.

It appears that the populations of horses vary with the regions of this province (Saskatchewan). Although horses originally were concentrated in the agricultural areas, a shift is occurring. The areas of greatest veterinary activity occurred in the urban centres (Regina, Moose Jaw, Saskatoon, Swift Current, Lloydminster, Yorkton and Prince Albert). In the traditional rural areas there appears to be growing equine veterinary activity in the livestock regions and less equine veterinary activity in the traditional grain producing areas. The only obvious exception to this trend is the eastern and southeastern region of Saskatchewan where the PMU industry is concentrated. Although, there are increased numbers of horses in these areas, PMU operators do not seem to use veterinarians as much as the sport and recreational horse owners do.

By in large, in the urban centres females predominate as horse owners, where as in the rural areas, males seem to be the primary horse owners. This is similar to what was reported in both the Alberta study and the British Columbia study which suggests a significant growth in the industry occurring within that equine sector designated as the sport and recreation. Information from both Alberta and British Columbia indicates that this sector is most represented by females, age 40 years old or less and with above average education. From subjective information gathered during this study the situation described in both Alberta and B C seems consistent with Saskatchewan.

Across the board the majority of horse owners have some other significant source of income. Only a small percentage of horse

owners rely on the horse industry as their sole or major source of income. Those individuals that do rely on the horse as their primary source of income tend to be the breeders and PMU operators.

In the urban practices the major growth of the industry lies in the small land holding and acreage owners.

Most veterinary practices are offering the services listed on the questionnaire: Emergency, Lameness diagnosis, Elective surgery, Herd health and Reproductive health. In the area of Elective Surgery most veterinary practices will not proceed beyond routine lacerations and castrations. In the area of Herd health, vaccinations compose the state of the art, however in the area of Reproductive health several veterinarians have made significant financial commitments and purchased expensive specialized equipment indicating their desire and commitment to specializing in this field. Obviously, they expect further growth in the equine sector of veterinary practice and are willing to commit resources to meet the needs of the industry.

From the information gathered it appears that the majority of horses in Saskatchewan are registered.

A4. Breed

Andalusian _____

Percheron _____

Appaloosas _____

Peruvian _____

Arabians _____

POA _____

Belgian _____

Ponies _____

Canadiens _____

Quarterhorse _____

Clydesdales _____

Saddlebred _____

Draft Cross _____

Shire _____

Foxtrotter _____

Standardbred _____

Miniature _____

Suffolk _____

Morgan _____

Thoroughbred _____

Norwegian Fjord _____

Warmblood _____

Paint _____

Other _____

A5. Purpose

Pleasure _____

Working _____

Jumping _____

Reining _____

Barrel Racing _____

Cutting _____

Dressage _____

Roping _____

Rodeo _____

Pole Bending _____

Racing _____

Cross Country _____

Heavy _____

Endurance _____

PMU _____

Hunter _____

Other _____

Therapeutic Riding _____

The following is a subjective summary of questions relating to
Population - A 4 and A 5.

The interesting information gleaned from these two questions is that as anticipated the predominate breeds in Saskatchewan are Quarterhorses, Appaloosas and Paints and the activity associated with these breeds is as expected, the recreation and sport sector of the equine industry. This is exactly the situation discovered in Alberta, British Columbia and Ontario. The equine sport and recreation sector is growing both in activity and in numbers of horses to support this past time.

B. Economic Impact

B1. What percentage of the income of your practice stems from the horse sector?

B2. What percentage of the horse related income is from service provided? goods purchased?

B3. How many full time positions in your practice are related to servicing horse clients?

B4. Are horse services growing or declining over the past 5/10 years?

The following is a subjective summary of the questions relating to **Economic Impact - B, B1, B2, B3 and B4.**

From the information gathered in this questionnaire it appears that the percentage of income to Saskatchewan veterinary practices that stems from the horse sector is around 10% to 15%. What is significant is the percentage of income related to providing veterinary professional services versus the sale of goods.

The majority of income derived from the horse sector of veterinary practice comes from the provision of professional services and not the sale of goods. The range of income from professional services versus income from sale of goods varies from a 60% - 40% split to a 90% - 10% split. This is very healthy and quite different from that of the cattle side of practice. The end result is that the percent of net income from the horse sector is greater than the percent of net income from other sources of veterinary practice. In particular, the cattle sector of veterinary practice where the sale of drugs is high and the return on drug sales may range from being revenue neutral to creating a 10% or 15% profit. In other words, horses are good for the practice; they create a lucrative business environment.

Adding to this, the full time person(s) serving the horse sector of veterinary practice is as a rule greater than the percentage of gross revenue that horses bring to the practice. For example, in one specific practice (a 5 person practice in cattle country) 5% of the gross was from horses, 9% of the net was from horses and the practice owner has 1/2 person working on horses. If one was true to the numbers then 5 % of the gross is equivalent to 1/20 of a person and 9% of the net is about 1/10 of a person, but in this case the practice owner feels justified keeping 1/2 person on the job because the profit is there. Adding to this situation, the computer accounting showed that the practice grew at a rate of 15% per year over the last 5 years. The is a further justification for the practice owner to keep 1/2 person on a job creating only 5% of the gross. To the owner it is "good business" and the place to be investing resources.

The other area of unanimity was in question B-4. The equine sector of veterinary practice in Saskatchewan is growing - steadily, rapidly and significantly were words encountered repeatedly. Only one practice reported no growth in the last 5 years. The owner of this practice openly expressed his dislike of horses and this sector of practice.

Several of the practices that were interviewed were one person cattle practices with veterinarians in their 40's and 50's and frankly growth in the equine sector was not welcomed. Yes, they recognized that the equine sector of practice is profitable; yes they serve these clients, but they (the veterinarians) feel ill prepared to deal with this type of practice and would love to have an associate in the practice looking after the horses. This is a digression from the objective of this study but it points to the fact that the equine sector of veterinary practice in Saskatchewan is growing (even without full support from individual practices). Even practice owners who want nothing to do with horses have to admit there is a steady and significant growth.

C. Needs Assessment (Role of SAF)

C1. What services do you see Saskatchewan Agriculture and Food providing to the Saskatchewan horse industry:

- ☐ Nutrition expertise
- ☐ Genetics
- ☐ Disease prevention
- ☐ Horse care/management practices
- ☐ Industry Opportunities
- ☐ Horse Improvement Program
- ☐ Reproduction

_____ Safety

_____ Marketing

_____ Education

_____ Other: _____

The following is a subjective summary of the questions relating to
Needs Assessment - C and C1.

Regarding services offered by Saskatchewan Agriculture and Food that would support the existing equine sector of veterinary practice and simulate the Saskatchewan Equine industry most veterinary practitioners supported additional expertise on Industry Opportunities and Marketing with Genetics and Education being considered of secondary importance.

Summary

The objective of this study was to develop a profile of the Saskatchewan horse industry from a veterinary perspective. Over the past 5 years the Saskatchewan horse industry has experienced an unprecedented growth and as well, it has seen enormous change. This growth and change in the Saskatchewan horse industry simply reflects the needs of a dynamic society. Today's society is changing at a rapid rate. People are constantly making life style choices and in particular they are moving into the areas confined within the category now termed "the Sport and Recreation Horse". In order for the Saskatchewan horse industry to maintain societal relevance it will need to continue to grow and change in order to keep abreast of our changing life styles.

This is neither a unique nor an unexpected phenomena. The 1996 Ontario Horse Industry Report showed convincing evidence of exactly this shift in population and activity when it subdivided its horse population into two categories; racing horses and non-racing horses. Their report indicated that in 1996 the province of Ontario had an estimated horse population of 293,000 and that 265,000 of these horses were used in non-racing activities which composed English and Western competition, recreation and pleasure riding.

The provinces of Alberta and British Columbia have shown similar proportions and growth. Why would Saskatchewan be any different?

The "Veterinary Questionnaire" looked at three sections; Population, Economic Impact and Needs Assessment. The population profile indicates that the major area of growth within the Saskatchewan horse population is concentrated primarily within the sector termed "Sport and Recreation Horse" and constitute primarily the following three breeds; Quarterorse, Appaloosas and Paint. Furthermore, the group of people most involve with horses in Saskatchewan appears to be younger women with barrel racing appearing to be the fastest growing event.

The study indicated that the economic impact of the horse industry on veterinary practice is significant. Most practices are realizing a 10% to 15% yearly growth in horse work. The growth is characterized as steady, rapid and significant.

When veterinary practitioners were asked what they assessed the needs of the Saskatchewan Horse Industry to be, they responded by requesting more activity in the areas of Industry Opportunities and Marketing expertise.

3-4

Recommendations

The recommendations of the 1990 report titled, "Saskatchewan Horse Industry – An Economic Perspective" are still relevant and should be pursued.

The Saskatchewan horse industry is seeing unprecedented growth. This growth complements both the rural and urban sectors of the Saskatchewan population. To insure further development and growth of the Saskatchewan Horse Industry it is recommended that the Saskatchewan Department of Agriculture and Food assistance in the areas of Industry Opportunities and Marketing.

Saskatchewan has not had an extension veterinarian dedicated to servicing the Saskatchewan horse industry in its recent past. The Western College of Veterinary Medicine – University of Saskatchewan enrolled its first class in 1965 (first class to graduating in 1969). The faculty of the WCVM accepted many rolls above and beyond their university responsibilities during the 1970's and early 1980's. One such function was that of carrying out the duties of a provincial extension veterinarian (which encompassed such activities as: providing seminars throughout the province to producers, 4-H organizations, equestrian organizations, and pony clubs; providing information to both veterinarians and producers; organizing seminars and conferences for both producers and veterinarians, to name a few). Clinical faculty from the WCVM with expertise in the field of equine medicine, equine surgery, equine nutrition and equine reproduction participated in these activities in conjunction with the support from individuals from the Alberta Department of Agriculture – Horse Industries Branch. Saskatchewan horse owners have, in the past, been well served by the WCVM. Unfortunately, all that has changed and with the 1980's and the reductions that ensued, many if not all of these programs and activities were discontinued.

The Government of Saskatchewan can no longer rely on good will from the WCVM and other organizations to provide a provincial equine extension program. To support the dynamic and growing Saskatchewan equine industry it is recommended that the

Government employed an Equine Extension Veterinarian to develop and administer a provincially based equine extension program providing such things as seminars on Industry Opportunities, Marketing, Horse Improvement, Genetics, Nutrition, Horse care/management practices, to name just a few.

3.5

Acknowledgments

I would like to take the opportunity to thank and acknowledge all those individuals from Saskatchewan Agriculture and Food who so willingly helped me in gathering this information. Thank you for finding time in your busy schedule to answer my questions. It was a pleasure to work with veterinary practitioners who created the time in an otherwise busy day to meet with me.

References

Webster, A. J. and Bens, R. J., Saskatchewan Horse Industry – An Economic Perspective, 1990, Agriculture Development Fund, Government of Saskatchewan.

Smith Green and Associates Inc., Final Report / PEI Harness Racing Industry Viability Study, 1996, Principal Secretary to the Premier, Premier's Office, Shaw Building, Rochford Street, Charlottetown, P.E.I.

Kubursi, A. A., The Economic Impact of Horse Racing and Breeding in Ontario, 1997, Ontario Horse Racing Industry Association / Econometric Research Limited.

Wright, R. and Cation, J., 1996, Ontario Horse Industry Report, 1996, Ontario Ministry of Agriculture, Food, and Rural Affairs.

Robbins, M. and Terpsma, Betsy, Structure and Economic Contribution of the Horse Industry in British Columbia, 1990, Horse Industry Program, B. C. Ministry of Agriculture, Fisheries and Food.

Saskatchewan Veterinary Medical Association 2000 Membership Directory, 2000, Saskatchewan Veterinary Medical Association, 102 – 108 Research Drive, Saskatoon, Saskatchewan.

Alberta Horse Industry Facts, 1995, Alberta Department of Agriculture - Horse Industries Branch.